Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
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Application by SBC Communications, Inc.,	)	
Southwestern Bell Telephone Company, and	)	**CC Docket No. 00-4**
Southwestern Bell Communications Services,	)	
Inc. d/b/a Southwestern Bell Long Distance	)	
for Provision of In-Region, InterLATA	)	
Services in Texas	)	

EXHIBITS TO THE REPLY COMMENTS OF AT&T IN OPPOSITION TO SBC'S SECTION 271 APPLICATION FOR TEXAS

February 22, 2000

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REPLY DECLARATION OF

C. MICHAEL PFAU

ON

BEHALF OF AT&T CORP.

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TABLE OF CONTENTS

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REPLY DECLARATION OF C. MICHAEL PFAU ON BEHALF OF AT&T CORP.

I, C. Michael Pfau, first duly sworn upon oath, do hereby depose and state as follows:

1. I am the same C. Michael Pfau who co-sponsored the Declaration of C. Michael Pfau and Sarah DeYoung On Behalf Of AT&T Corp. ("Pfau/DeYoung Declaration"), which was filed in this matter on January 31, 2000. I have prepared this reply declaration on the subject of performance measurements to address other filings in this matter made on or after January 31, including comments of other CLECs, the Evaluation of the Public Utility Commission of Texas ("TPUC Evaluation") and the Evaluation of the United States Department of Justice ("DOJ Evaluation"). I am providing this reply declaration in support of the reply comments of AT&T filed simultaneously herewith. The Pfau/DeYoung Declaration sets out my qualifications to address matters related to performance measurements. My reply statements are organized under the main topics addressed in our initial performance measurements declaration – the lack of reliability of SWBT's performance data, the poor performance

reflected in SWBT's reported data, and the weaknesses in SWBT's self-enforcement plan.

I. Lack of Reliability in SWBT's Reported Performance Data

2. The Pfau/DeYoung Declaration described several factors – retractions and retroactive restatements of data, inconsistencies in reported data, errors identified in data reconciliation efforts, limitations on the integrity and auditability of raw data – that pointed to the conclusion that SWBT performance data, as reported to date, are not reliable. It described why the Telcordia performance measures review was inadequate to establish that SWBT performance data are accurate and reliable. Pfau/DeYoung Decl. ¶¶14-72.

3. Other commenters in these proceedings also raised a host of corresponding concerns about the reliability of SWBT's reported performance data.[1] The TPUC Evaluation had little to say about the reliability of SWBT's data, other than to describe

[1] *See* Comments of Allegiance Telecom Inc. In Opposition To Southwestern Bell's Section 271 Application For Texas at 5-6 (UNE loop hot cut data deficiencies), 10 (citing Telcordia's failure to compare data across related measures); Comments of Bluestar Communications, Inc. at 5-6 (DSL data deficiencies); Comments of The CLEC Coalition at 37 (lack of access to SWBT raw data foreclosing ICG from reconciling ICG experience and SWBT reported data), 39 (citing discrepancies between SWBT reported data and Nextlink, Birch experience with UNE loop and UNE platform orders); Comments of Covad Communications Company at 20 – 22 (citing failures of SWBT data to reflect Covad actual experience in ordering and provisioning DSL loops); Comments of DSL.NET INC. at 8-9 (deficiencies in DSL data); Comments of MCI Worldcom On The Application By SBC For Authorization To Provide In-Region, InterLATA Services In Texas at 33-34 (citing performance data gaps and inadequate auditing); Comments of NorthPoint Communications, Inc. at 8 (asserting that DSL metrics have been based on erroneous, inconsistent data and citing pending changes to pre-order measure for loop qualification information, PM 57); Comments of Rhythms Netconnections, Inc. In Opposition to Application Of Southwestern Bell Corporation For Provision Of In-Region InterLATA Services In Texas at 48-53 (citing absence of DSL measures, need to validate proper implementation, and lack of opportunity to verify DSL data produced by SWBT to the Texas Commission, outside the regular performance reporting process, in final days of state proceedings).

the Telcordia review in conclusory terms. TPUC Evaluation at 30, 109. After review of SBC's application and all of these comments, the Justice Department has found SWBT's performance data to be unreliable or incomplete on key checklist items – DSL loops, unbundled loops, interconnection trunks – and concluded that these deficiencies "may be symptomatic of more serious problems in the reliability of SBC's performance measurement systems and processes." DOJ Evaluation at 12, 17, 29-34, and 47. The Justice Department also has concluded that "Telcordia's review does not provide an adequate basis for determining that presently reported SBC performance data are reliable." *Id.* at 6.

4. The specific items that have caused AT&T and other commenting parties to question the reliability of SWBT's performance data cannot fairly be viewed as isolated instances of errors or omissions in that data. They have occurred too often, across too many measures, and in the experience of too many CLECs to be considered exceptions, particularly given the limited opportunity to reconcile CLEC and SWBT data. In an effort to illustrate the extensive, recurring, and expanding nature of the problems in SWBT performance data, I have prepared a list of such problems that have come to AT&T's attention over the last two years. Attachment 1 to this Reply Declaration contains a list of retroactive restatements of SWBT performance data, inconsistencies in SWBT data, gaps in SWBT data, and other occurrences that have indicated a lack of reliability or stability in that data. These items have come to AT&T's attention through commercial experience and in the regulatory arena,. The items listed in Attachment 1 are intended to be illustrative, not exhaustive. Although some have been resolved, or reportedly so, many remain open, and the list of problems and concerns continues to

grow.[2] As review of Attachment 1 will show, reliability concerns cut broadly across the range of SWBT performance measures. The scope of the problems listed on Attachment 1, and the frequency with which issues recur and are added, reflect a performance measures systems that still is in the shake-out stage, producing data that should not be relied upon without more complete examination and data reconciliation.

5. The broad scope and systemic nature of the reliability issues raised by the several commenting parties also can be seen by looking at how the same issue presents itself across multiple measures. For example, on PM 55.1, average installation interval for DSL loops, Covad disputes SWBT's application of the exclusion for CLEC orders requesting a due date beyond the standard interval. Covad Comments at 29-31. The Justice Department notes that SBC has failed to identify for Covad (and other CLECs) the orders it claims to have excluded, information which would allow the interested parties to verify whether SWBT is applying the exclusion appropriately. DOJ Evaluation at 16. Elsewhere the Justice Department expresses concern about SWBT's restatement of interconnection trunk blockage and installation interval data on the eve of the close of the Texas proceedings, converting what had been bad results to good when SWBT "belatedly determined that it had neglected to apply some permitted exclusions." DOJ Evaluation at 47, n. 133. One of the neglected exclusions that SWBT cited in changing this data was the exclusion from PM 78 for CLEC-requested due dates outside of the 20-day standard interval for interconnection trunks. *See* Conway Dec. 15, 1999 Aff. ¶ 4. The exclusion

[2] For one of these open items, SWBT has advised this Commission that it will begin reporting frame due time orders under PMs 114, 114.1, and 115, beginning with February 2000 data. *See Ex Parte* Letter from Priscilla Hill-Ardoin, SBC Communications, Inc., to Magalie Roman Salas, Secretary, FCC, January 21, 2000, regarding SWBT's "hot cut" unbundled loop performance. Even if SWBT carries out

for CLEC-requested due dates beyond the standard interval is the same exclusion that is the subject of the Covad dispute under PM 55.1, the average installation interval measure for DSL-capable loops. This is far from the first time that SWBT had invoked its own failure to apply this exclusion in defense of self-reported performance failures. SWBT had pointed to its failure to apply this same exclusion (despite its explicit presence in the business rules) in an effort to explain away reported benchmark violations in UNE loop data (PM 56) during March 1999 Missouri 271 proceedings. Pfau/DeYoung Decl. at ¶23, n. 23. Indeed, this same exclusion was at the center of SWBT's retroactive restatement of July-September 1998 residential resale installation intervals in those same Missouri proceedings. There too SWBT proffered a claim that belated application of the exclusion would eliminate previously reported parity violations, only to be forced to acknowledge that the restated results were mathematically indefensible. Pfau/DeYoung Decl. at ¶ 22. After all the previous attention that had been brought to bear on SWBT's application of this exclusion, which is common to SWBT's installation interval measures (PMs 27, 28, 43, 44, 55.55.1, 55.2, 56, 56.1, 78, 87, 88), and after the passage of months for SWBT to assure that such mistakes were not repeated, how is it possible that SWBT finds it again necessary to correct its failure to apply this exclusion on trunking installation intervals in December 1999? And why can't or won't SWBT readily identify the DSL transactions omitted from PM 55.1 under this same exclusion? SWBT's recurring failure to apply this exclusion, or to claim that it has failed to apply it, and its inability or unwillingness to document application of this exclusion, cast real doubt on SWBT's ability to incorporate

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that step, SWBT's first report of FDT data will not be issued until March 20, 2000 and thus is not relevant to this proceeding.

improvements and learnings from past errors in its performance measurement processes, at least through the present.

6. The errors in SWBT's application of exclusions associated with PM 58, which were brought out in the AT&T/SWBT UNE loop data reconciliation efforts, have similarly broad implications. That is so because, like PM 58 – "Percent *SWBT Caused* Missed Due Dates," many of SWBT's performance measures depend on SWBT accurately determining who was responsible for performance failures on a transaction by transaction basis – SWBT, the CLEC, or the CLEC's customer. As presented in AT&T's initial comments, one of the defects identified in SWBT's data collection for measure 58 concerned the misuse by LOC personnel of applicable provisioning codes used to identify whether SWBT was the cause of the missed due date, specifically, whether a hot cut was installed late as a result of a SWBT provisioning error.[3] SWBT's filing here has attributed reported performance violations to its own failure to apply exclusions for transactions where the performance failure was the fault of the CLEC.[4] A review of version 1.6 of the business rules shows that at least 50 different performance measures

[3] DeYoung Decl. at ¶ 230 ("Specifically, the reconciliation project determined that SWBT had failed to properly train and monitor its LOC staff with respect to the definition, significance and application of the various codes which they could apply to a hot cut order. Accordingly, the reconciliation project found that the LOC personnel often applied the wrong code to a hot cut order -- and thus failed to identify (and report in SWBT's published data) missed installation dates caused by a SWBT provisioning error").

[4] *See* Dysart Aff. ¶180 (attributing parity violation on PM 27 – average installation interval for resale business orders -- in part to failure to exclude 4 orders where customer caused delay; the rest of the failure was attributed to SWBT's'misapplication of the customer-required due date exclusion discussed in paragraph 5 above), ¶ 202 (attributing out of parity results on PM 29 -- missed due date rate reported for UNE platform orders not requiring field work -- to SWBT incorrectly including subscriber-caused missed due dates), and ¶ 215 (PM 30 – percent SWBT caused missed due dates due to lack of facilities – business resale – delay greater than 90 days – parity failure attributed to failure to exclude subscriber-caused delays).

explicitly require SWBT to make, or code, a determination of fault in reporting individual transactions, such as whether a missed due date was the fault of SWBT rather than the CLEC or its customer. These measures include PMs, 13, 27-37, 41, 45, 47-51, 55, 55.1, 55.2, 56, 56.1, 58, 60-64, 70, 73-77, 87-92, 98, 100, 101, 103, 107, 108, 113, and 118. Out of all of those measures, only PM 58 has been the subject of data reconciliation, with the troubling results alluded to above and described in AT&T's initial filing. Given the errors in SWBT's application of this exclusion for PM 58, SWBT's data to date under all of these measures should be similarly suspect.

7. The Texas state proceedings did not resolve the reliability issues raised by AT&T and other CLECs. The Pfau/DeYoung Declaration described AT&T's unsuccessful efforts to raise these reliability concerns to the Texas Commission during the spring of 1999 and to make them a more important part of Telcordia's review. Pfau/DeYoung Decl. ¶ 26. Nor did the late stages of the state proceedings provide for any meaningful resolution of the issues raised by the AT&T/SWBT UNE-L data reconciliation or the concerns about DSL and interconnection trunking data raised here by other CLECs. Rather, an avalanche of SWBT affidavits descended on the Texas Commission December 14-15, primarily addressing performance data issues.[5] The Texas Commission closed the proceedings on December 16, without meaningful opportunity for CLEC comment.

8. Given the way in which consideration of reliability concerns was truncated in the state proceedings, it is perhaps not surprising that the TPUC Evaluation readily

[5] SWBT filed no fewer than thirteen affidavits, largely regarding performance data (six of the affidavits were from Mr. Dysart), on December 14 and 15, and revised four of those on December 16. *See* SBC App. C, Vol. 141, Tabs 2003-11, 2013-14 and Vol. 142, Tabs 2015-16, 2020-24.

accepts data that the Justice Department finds to be affirmatively unreliable or subject to serious question. Regarding DSL loop data, the TPUC Evaluation simply attributes the limited volumes reported under PM 55.1 to a majority of CLEC due dates falling beyond the standard intervals. TPUC Evaluation at 64; *compare* DOJ Evaluation at 12-17 (concluding, *inter alia,* that "DSL performance data are unreliable"). CLECs' deeper concerns about this measure are unresolved on the Texas record. *See* DOJ Evaluation at 16-17 (citing Covad dispute over SWBT's application of exclusion and SWBT's failure to date to identify excluded orders for validation purposes, and joining Rhythms' concern that PM 55.1 fails to account for whether the installed loop is actually working).

9. Regarding SWBT's restatement of data for interconnection trunk blockage (PM 70) and installation intervals (PM 78), the TPUC Evaluation simply recites that "what initially appeared to be sub-benchmark performance became a passing grade," citing a "thorough review" of raw data that is not elsewhere documented or explained. TPUC Evaluation at 6. *Compare* DOJ Evaluation at 47, n. 133. SWBT's restatement of this data was set out in three of its last-minute Texas affidavits.[6] The TPUC closed the state proceedings immediately thereafter, despite the fact that SWBT's restated PM 70 data is contested. Time Warner asserts that SWBT has exaggerated the degree of CLEC responsibility for SWBT's previously reported trunk blockage. *See* Time Warner Reeves Aff. ¶ 34. The TPUC Evaluation describes PM 78 as showing benchmark compliance for July through October, without even mentioning that SWBT previously had reported consistent and widespread violations of this measure over that time period. *See* TPUC

[6] TPUC Project No. 16251, SWBT's Affidavit of William Dysart re PMs 70 and 78 (December 15, 1999), SBC App. C, Vol. 142, Tab 2016, SWBT's Affidavit of Candy Conway (December 15, 1999), SBC App. C, Vol. 141, Tab 2013, and SWBT's Affidavit of Laurie Leathers (December 15, 1999), SBC App. C, Vol. 142, Tab 2015.

Evaluation at 16. And, as discussed above, at least one of SWBT's explanations for its restatement of PM 78, that it had failed to exclude CLEC-requested due dates outside of the 20-day interval interconnection trunks, *see* Conway Dec. 15, 1999 Aff. ¶ 4, should have drawn particular skepticism. The more appropriate response to SWBT's late filings would have been to require additional evidence that SWBT's interconnection trunk performance data was accurate, before placing any reliance on it, in light of the "acknowledged problems of inaccurate tracking and reporting of data for this and other measures." DOJ Evaluation at 47-48 and n. 133. Indeed, the Texas Commission's optimism that SWBT had overcome its Houston trunk blockage problems already has proved to be unjustified. With its revised reporting practices for PM 70 presumably in place, SWBT reverted to an 8.28% December 1999 blockage rate for all CLECs in Houston on SWBT end office to CLEC end office trunks, a serious departure from the 1% benchmark. *See* December 1999 Regulatory Agency (DOJ) Reports at Houston No. 70-71, posted at the SBC CLEC website. Blockage also exceeded the 1% benchmark in Houston on the higher-volume category for SWBT's tandem to CLEC end office trunks in December, at 1.55%. The recurrence of serious blockage in the Houston reporting area, which has been the subject of past problems and much focused attention in the state proceedings, must be regarded as a significant failure to deliver the nondiscriminatory access to interconnection required to pass the first checklist item.

10. Rather than address concerns about data reliability in the state proceedings, SBC chose to take the risk of proceeding to this Commission on the basis of performance data that was subject to unresolved reliability issues. The Texas Commission gave SBC that choice. *See* PUCT Open Meeting Tr. at 239 (November 4,

1999) (admonishing SWBT and CLECs to reconcile DSL data or take the risk that "the record has to go up with the version that it is, inconsistent, and not capable of being verified") (Commissioner Walsh). The Justice Department aptly has described the consequences: "If SBC had conducted a more careful review of its performance measurements and processes, whether through Telcordia or otherwise, these defects could have been detected and corrected earlier." DOJ Evaluation at 6, n. 6. The defects in SBC's data may have been avoidable, but they were not avoided.

II. SWBT's Performance Results Indicate Noncompliance

11. The TPUC Evaluation is too quick to accept SWBT's explanations for the parity and benchmark violations it has reported. Not only does the TPUC repeat SWBT's error in trying to explain away poor EDI FOC return results for UNE loop orders with reference to August data that included a large volume of UNE platform orders, the TPUC accepts at face value other explanations that should raise questions, such as the eleventh-hour invocation of failure to apply the exclusion for later-requested due dates to restate interconnection trunk installation intervals, discussed above. For another example, the TPUC Evaluation credits SWBT's attribution of repeat report failures (PM 41) on UNE platform circuits to central office translations, TPUC Evaluation at 56, without asking or explaining why such such translations should result in a higher rate of repeat report for CLECs providing POTS-type service over a UNE platform combination than for SWBT providing equivalent service over the identical configuration.

12. Review of SWBT's reported data for December 1999 should have caused the Texas Commission to reconsider its positive spin on SWBT performance. From an

overall perspective, that data continues to show a much higher failure rate than the approximately 5% that would be expected under the statistical tests used by SWBT if it were in fact delivering nondiscriminatory performance. SBC's ex parte filings report these "pass" rates through December:

	October	November	December	"Overall"[7]
PMs stated on market area basis[8]	88.0%	86.4%	86.2%	89.6%
PMs restated on statewide basis[9]	82.9%	83.0%	84.4%	86.2%

The data stated above include all measurements for which SWBT has calculated a z-score, which is the approach used by SWBT in its application.[10] SWBT reported passing

[7] This "overall" column counts any measurement as a "pass" if it has passed any two of the preceding three months. Calculating an "overall" rate in this fashion permits SWBT to report a higher "overall" for two out of three months than it records for any one of those months. SWBT pressed this strained construction in an effort to pass the MOU test that called for SWBT to pass 90% of its Tier 2 measurements 2 out of 3 months prior to applying for section 271 relief. However, SWBT's construction was rejected by Texas Commission Staff and directly contrary to Chairman Wood's explanation of the test in presenting the MOU for Commission approval. *See* Comments of AT&T Communications of the Southwest, Inc. on Three-Month Performance Evaluation for SWBT 8-16 (November 1, 1999), SBC App. C, Vol. 135, Tab 1934. What is noteworthy now is that, even with this misconstruction of the MOU test, and even including results on diagnostic measures that SWBT regards as redundant of Tier 1 and Tier 2 measures, SWBT's performance over the most recent three months falls below a 90% target, and closer to 85% using statewide data.

[8] *Ex parte* Letter from Priscilla Hill-Ardoin to Magalie Roman Salas, Secretary, FCC (February 2, 2000) (spreadsheet of Texas Performance Measures, October-December 1999, at 38) (hereafter "SBC Texas Hit or Miss Report – December 1999 – Disaggregated"). This line shows that, using the geographic disaggregation which SWBT proposed and the Texas Commission approved in the business rules, SWBT's overall pass rate has continued to decline through December.

[9] *Ex parte* Letter from Austin C. Schlick to Magalie Roman Salas, Secretary, FCC (February 9, 2000) ("Hit or Miss Report," October-December, presented on state-wide basis to the extent possible, at 11) (hereafter "SBC Texas Hit or Miss Report – December 1999 – Statewide").

[10] SWBT's inclusion of diagnostic measures in the calculation of its overall performance contradicts its position that those measures are redundant of Tier 1 and Tier 2 measures. *See* Pfau/DeYoung Decl. ¶ 84, n. 98. This analysis also omits the many

only 82.1 % of its Tier 2 measurements during December 1999, and still has failed to achieve a 90% passing rate on its Tier 2 measurements in even a single month since June 1999.[11] In the face of this performance by SWBT, the Texas Commission has abandoned altogether the quantitative test of nondiscriminatory performance that it developed in consultation with SWBT and incorporated in the MOU – 90% of the Tier 2 measurements showing compliance for 2 out of 3 months. SWBT's failure to pass the TPUC's overall performance test as reported in the Texas Staff's 3-month evaluation, and the particular violations that made up that failure rate, effectively stymied the TPUC from supporting SBC's 271 application at the November 4, 1999 Open Meeting. Yet the TPUC Evaluation makes no mention either of this test nor SWBT's watered-down version, which credits SWBT performance on Tier 1 and diagnostic measures as well. This omission effectively defers to this Commission the responsibility for assessing whether SWBT's overall performance calls for the conclusion that SWBT is providing nondiscriminatory wholesale support to Texas CLECs. With SWBT failing 15% of its measurements at the 95% confidence level, the answer should be a clear "no."

13. SWBT's recent data also should have led the Texas Commission to reconsider its assessment of SWBT's performance on specific measures in its Evaluation.

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measures for which SWBT reports fewer than 10 transactions and does not calculate a z-score. *Id.* at ¶¶ 77-78, nn. 87, 90.

[11] SWBT's performance for the six-months ending 1999 is presented at Pfau/DeYoung Decl. at ¶ 77. The December 1999 data is counted from the SBC Texas Hit or Miss Report – December 1999 – Disaggregated. On that report SWBT calculates a z-score for 441 Tier 2 measurements and classifies 79 of those z-scores as a "no" (exceeds the critical-z value), for a Tier 2 failure rate of 17.9% and a pass rate of 82.1%. For the three months ending in December 1999, SWBT reported passing only 87.6% (354 of 404) Tier 2 measurements in any two of the three months (i.e., SWBT failed even its own strained interpretation of the MOU test of nondiscriminatory performance). The statewide data is less favorable to SWBT.

SWBT's November-December 1999 data undercut the TPUC Evaluation's review of commercial performance under several checklist items. In particular, that data contradicts many of the SWBT explanations of prior reported failures, and the assertions of successful corrective action, on which the TPUC Evaluation largely relies. The following items are illustrative, organized according to the headings used in the TPUC Evaluation: [12]

Interconnection

- PM 70 – performance September through November "alleviates, to a large extent, the Texas Commission's concern" about August performance failure. TPUC Evaluation 14. Recent results: SWBT reports, in the historically-troubled Houston area, blocking 8.28% of CLEC calls, compared to a 1.0% benchmark. SWBT tandem to CLEC end office blocking jumps from 0.03% to 1.55%, above the 1.0% benchmark.

- PM 73 – notwithstanding "some problems" during September and October in Houston, the TPUC "believes [SWBT process] changes should result in parity performance to competitors." TPUC Evaluation at 14. Recent results: November shows SWBT's largest parity violation on this measure in Houston, with a 15.5% missed due date rate for CLECs compared to 0.6% for its retail service, and SWBT violates parity again in December.

Ordering and Provisioning

- PM 94 (EDI, loop with LNP) – TPUC cites SWBT's expectation that performance will improve after attributing substandard performance to a SWBT reorganization. TPUC Evaluation at 41. Recent results: SWBT reports a violation again in December, with only 77% of FOCs timely returned in this category.

Billing

- TPUC notes that SWBT has met 7 of 8 measures associated with billing. TPUC Evaluation at 45. Recent results: SWBT reported parity violations on PM 18, billing timeliness, in November and December, as well as continued chronic failure on PM 17, billing completeness.

[12] The source for statewide data in the analysis that follows is the SWBT Texas Hit or Miss Report – December 1999 – Statewide. For geographically disaggregated data, the source is the SWBT Hit Or Miss Report – December 1999 – Disaggregated.

Stand-alone Loops

- PM 58 – TPUC concludes that SWBT's performance shows parity for all periods, except for November 8 dB loop (no field work) results. TPUC Evaluation at 16. Recent results: SWBT failed the 8 dB loop (no field work) measure again, failing the past two months out of three.

- PM 59 – TPUC characterizes SWBT performance for 8 dB loops and BRI loops as "slightly below parity." TPUC Evaluation at 53. (Calling these results "slightly below parity" is not credible. SWBT's BRI statewide installation trouble report rate for CLECs was double its retail rate in October --10.2% v. 5.1% -- and triple that rate in November --18.5% v. 5.0%). Recent results: SWBT reported statewide parity violations for 8 dB, 5 dB, and BRI loops in December. The BRI missed due date rate escalated to *quadruple* SWBT's retail rate (20.9% v. 5.1%). 8 dB and BRI loop installation report rates have been out of parity for three consecutive months, and 5 dB loops for the last two.

- PM 65 – TPUC reports that looking "at the loop data in the aggregate" for July – November, SWBT's statewide performance was at parity or above. TPUC Evaluation at 54. Recent results: no amount of aggregation will explain away SWBT's December performance on this measure, which included statewide parity violations for 8 dB, 5 dB, and BRI loops, as well as the DSL loops discussed below.

- PM 67 – TPUC, again using loop data "in the aggregate," finds SWBT's statewide performance "markedly above parity." TPUC Evaluation at 54. Recent results: SWBT reported statewide violations in December for 5 dB loops, BRI loops, and for DS1 loops (dispatch required); and a December parity violation restoring service on DS1 loops (no dispatch required).

Loops as Part of a UNE Platform

- PM 35 – the TPUC reports that, for UNE platform conversion orders not requiring field work, SWBT's performance for October and November was "slightly below parity." TPUC Evaluation at 55-56. Recent results: SWBT reported a statewide parity violation in December, for the third consecutive month.[13]

[13] SWBT began reporting this measure for UNE combinations belatedly and has a record that goes back only to August 1999. SWBT consistently has failed this measure since in all areas except South Texas, where UNE combination volumes are lowest. Over the five months between August and December 1999, SWBT has violated parity 11 of 15 times outside South Texas. Small absolute differences in performance on this measure may not be disregarded. This measure reports trouble on conversion orders (and SWBT

- PM 37 – the TPUC cites parity performance except for October. TPUC Evaluation at 56. Recent results: SWBT reported a statewide violation again in December, the second of the past three months.

- PM 38 – the TPUC apparently accepts SWBT's explanation for August that Hurricane Bret caused a disproportionate impact on SWBT's response to CLEC troubles in South Texas, and also cites SWBT's explanation that it has deployed process improvements related to this measure. TPUC Evaluation at 56; Dysart Aff. ¶ 419. Recent results: With no hurricane and process improvements presumably in place, SWBT reported its third consecutive statewide violation on this measure for UNE combination repairs that require dispatch.

- PM 41: the TPUC notes that October and November were "slightly below parity," though improved over prior months. TPUC Evaluation at 56. Recent results: SWBT reported a statewide parity violation again in December.

xDSL-Capable Loops

- PM 58: the TPUC cites the provisions added to its penalty plan for "increased level of penalties" for noncompliant performance for advanced and nascent services, as well as process improvements, for its belief that SWBT's performance will improve. TPUC Evaluation at 65. Recent results: SWBT reported another statewide parity violation, with its missed due date rate for CLECs increasing to 12.1%, compared to 6.3% for its retail operations. SWBT now has reported parity violations for 2 of the last 3 months in each area of the state other than South Texas, where SWBT has reported fewer than 10 transactions each month and failed to calculate a z-score.[14]

- PM 59 – the TPUC makes no comment on this measure specific to DSL loops, perhaps due to limited volumes and statewide parity results reported through November. Recent results: SWBT reported a statewide parity violation in

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analogs) that should be purely electronic transactions, requiring nothing more than execution of a recent change order in the switch. Trouble rates should be extremely low. In that context, SWBT's installation report rate of 2.4% in December for CLECs in the Dallas area, double the 1.2% rate it reported for itself, is significant. For every SWBT residential customer unhappy with its installation, a CLEC using the UNE platform can expect two.

[14] SWBT's consistent parity violations on this measure take on increased significance, because this measure is capturing a much higher volume of SWBT xDSL loop provisioning activity than PM 55.1 (average installation interval). For the 3 areas outside of South Texas, SWBT reported a total of 494 circuits provisioned in December, compared to 46 orders under PM 55.1. (There is uncertainty whether SWBT is reporting these measures on the basis of orders or circuits).

December, with an installation trouble report rate of 15.8% for CLEC-ordered DSL-capable loops, more than triple the rate (5.2%) for its retail operations.

- Maintenance measures: the TPUC makes no comment specific to SWBT's maintenance of DSL-capable loops. Recent results: SWBT reported a statewide parity violation in December for PM 65, with a trouble report rate for CLEC DSL loops of 7.7%, compared to 4.6% for its retail service. SWBT reported a parity violation in December for PM 67 in the Dallas/Fort Worth area, averaging more than 3 times as long to restore service for CLEC DSL customers (15.68 hours) as for SWBT retail customers (5.23 hours).

Augmented by December 1999 results, SWBT's data reflect a pattern of significant parity and benchmark violations across a wide range of checklist-sensitive activities.

III. Limitations of the Texas Performance Remedy Plan

14. The TPUC Evaluation does little more than describe the Texas Performance Remedy Plan at a high level. The weaknesses of that plan were detailed in part IV of the Pfau/DeYoung Declaration.

15. The TPUC Evaluation notes that for measures with 29 or less data points, compliance will be determined using one of two alternative methods. TPUC Evaluation at 107. The TPUC Evaluation is correct in that regard, with the two methods being use of the z-test (in the same fashion as for 30 or more data points) and permutation analysis. *See* T2A Attachment 17, § 4.0. However, elsewhere the TPUC Evaluation makes the statement that no analysis of SWBT performance is possible, where fewer than 10 data points are reported. TPUC Evaluation at 50, 80. In fact, the Performance Remedy Plan requires SWBT to calculate a z-score and pay damages on measures with fewer than 29 data points, using one of the two alternatives, *without any cut-off at 10 data points.*[15] The

[15] T2A, Attachment 17, § 4.0. The Plan provides for special consideration of measures with fewer than 10 data points in determining and applying the "k" value, to avoid having those measures distort the impact of the k value under the Plan, *see* Attachment 17, § 11.1.1, but otherwise treats measures with fewer than 10 data points as subject to the Tier 1 damages and Tier 2 penalty terms.

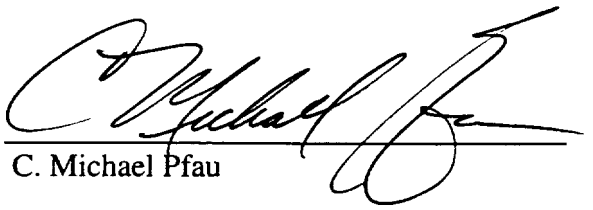
Texas Commission's statements that no analysis is possible for measures with fewer than 10 data points are disturbing, because SWBT to date has failed to calculate z-scores on those measures using any method. The Commission's statements that no analysis is possible for these measures casts doubt on enforcement of the Plan's requirements that SWBT calculate z-scores on these small-volume measures. Given the amount of disaggregation under the Plan and low levels of commercial activity at present, resulting in half or more of the measurements reporting fewer than 10 data points for CLECs (on aggregate CLEC reports), the failure to enforce the requirement that SWBT calculate a z-score on measures with fewer than 10 data points will seriously weaken an already inadequate Plan.

16. The Justice Department justifiably has expressed doubt "whether the structure and subcaps of the PRP permit it to be an adequate deterrent to backsliding on services such as DSL." DOJ Evaluation at 23-24, n. 67. Because the per occurrence amounts and the per measurement subcaps were not adjusted when the overall cap was increased, "any penalties may be capped at a level too low to lead to any significant, behavior affecting, payment." *Id.* The Justice Department's skepticism about the impact of SWBT's minor modifications to the plan as it affects low-volume services is equally justified, *id.*, given that those modifications apply only to Tier 2 penalties, which are triggered only by three consecutive months of violation on a measure, and cease to apply when statewide volume reaches 100 transactions. *See* Pfau/DeYoung Decl. ¶¶ 136-37. And the Department correctly notes that DSL performance measures to replace the present interim measures are currently under development, so that the impact of the plan on DSL providers is unclear. DOJ Evaluation at 23-24, n. 67.

17. For the reasons stated here, in AT&T's initial comments, and in the DOJ Evaluation, SWBT's Texas Performance Remedy Plan will not serve as an adequate anti-backsliding plan and, as a result, does not support a determination that granting SWBT's application would be in the public interest. Nor can it be relied upon as a means to correct the current deficiencies in SWBT's performance on checklist items.

FCC DOCKET CC NO. 00-4
REPLY COMMENTS OF C. MICHAEL PFAU

I hereby declare under penalty of perjury that the foregoing is true and accurate to the best of my knowledge and belief.



C. Michael Pfau

Executed on February ____, 2000

REPLY DECLARATION OF

C. MICHAEL PFAU

ON

BEHALF OF AT&T CORP.

ATTACHMENT 1

SWBT Performance Data Lacks Reliability, Stability and Completeness: Problems Experienced by CLECs 1999-2000

Performance Measure/Category	Problem With the Measure(s)	Status
Pre-ordering/Ordering		
PM 1-2 Pre-order Response Time	Data reported originally as August 1998 performance was moved to September 1998 in a later report. SWBT could not say which was correct. (This was acknowledged in Missouri proceedings, but relates to a report of region-wide data).	Unresolved.
PM 4 – OSS Availability	Instances of partial unavailability are not being reported, such as downtime on PREMIS 11/16/99 that denied CLEC access to address verification functionality over Datagate; SWBT's subjective application of "availability factor" to occurrences of partial unavailability has not been subjected to validation or control.	Unresolved
PM 5, 6 – FOC Return	SWBT reported UNE loop/port orders under UNE loop category, mixing UNE loop/port combination and UNE-L results, rather than reporting UNE combinations under residence and simple business category. This error has misled SWBT and the PUCT into claiming that August performance for UNE loop FOC returns mitigates poor subsequent performance in the UNE loop category, when the high volumes reported by SWBT under the loop category in August were really UNE platform orders.	Corrected with September 1999 data
	SWBT processes FOCs electronically after business hours, but counts only business hours in calculating FOC return time, resulting in an understatement of actual return time.	Reportedly corrected with November 1999 data. Not verified.
	SWBT reportedly (Covad) fails to capture a large percentage of DSL orders in FOC return measure, despite absence of an exclusion. *See* DOJ Evaluation 13-14.	Unresolved.
	SWBT reportedly (IP Communications) has used ITRAK-FID code to exclude CLEC transactions from the FOC return measures, without CLEC permission. According to the business rules, the ITRAK-FID is to be used when FOC times are negotiated with the CLEC, such as for special projects.	Unresolved.
	SWBT reported 100% FOCs returned within 5 hours to TCG on PM 5, while in the same month reporting an average FOC return rate of over 10 hours	Reportedly corrected with September 1999 data. Unverified.
	FOC returns on INP orders are reported under residence and simple business category.	Unresolved.
	When SWBT improperly rejects an error-free LSR, its failure to return a timely FOC is not captured by this measure	Unresolved.
	When SWBT timely returns an incomplete or inaccurate FOC it is nevertheless counted as a timely FOC return.	Unresolved
	When a CLEC issues an LSR canceling a prior order, SWBT returns a FOC on the cancellation and classifies it for FOC return purposes in the residence and simple business, regardless of the order type being cancelled. For example, FOC returns on TCG LSRs canceling LNP orders have been reported in the residence and simple business category.	Unresolved.
	SWBT claimed to have "inadvertently" divided its August 1999 results for PM 6 by 60.	Reportedly corrected with September data report.
	SWBT attributes poor performance in returning FOCs on manual	Unresolved.

	complex business orders to its own miscoding of transactions. Dysart Aff. ¶ 146.	
PMs 7, 7.1, 8 (return of completion notices)	All 3 measures relate to return of completion notices, but SWBT reported inconsistent total completion notices from one measure to another for July and August 1999.	Reportedly corrected with November data report.
	SWBT failed to report EDI data for PMs 7-10 for some CLECs in July 1999.	The missing data was not reported until SWBT's late October report of September data.
PM 9 Reject Rate	SWBT's data does not distinguish rejects caused by CLEC error from rejects caused by SWBT error. When SWBT improperly rejects an error free LSR, as has occurred, processing and provisioning of the CLEC order is delayed, but that delay is not captured in SWBT performance data.	Unresolved. SWBT has offered at most to consider case-by-case treatment of improper rejects identified by CLECs.
PM 10.1, 11.1 – timely return of manual rejects of electronic orders	SWBT has claimed that performance failures in data through September 1999 were due to is own failure to remove non-business hours in calculating these measurements. At the October 21, 1999 Open Meeting, SWBT reported that a correction would be "in place at the end of this month" to calculate the measures on the basis of business hours, not a 24-hour day. Tr. 467-68. With the release of October 1999 data, SWBT reported that data for PMs 10.1-11.1 had "been revised back to July 1999 to be in accordance with the business rules." The revised data showed a higher rate of timely returns and a lower average time to return manual rejects, consistent with SWBT's announced intent to recalculate the measures on a business-hour basis. However, the restated data still showed benchmark violations, and performance has gotten worse since then. SWBT now apparently claims that it still is reporting these measures on a 24-hour basis, contrary to its prior statements and without explanation of the retroactive data change made with release of the October 1999 report.	Unresolved.
PM 13	SWBT is failing to disaggregate its reported flow-through rates by resale, UNE combination, UNE loop, and other orders, in violation of the business rules.	Unresolved.
	SWBT is reporting PM 13 on based on the count of service orders generated in its back-end systems, when the business rule defines the measure in terms of CLEC-originated orders, or LSRs. SWBT's departure from the business rules has the potential to overstate its reported flow-through rate for CLECs, particularly CLECs using the UNE platform. SWBT has structured its systems so that a UNE platform LSR generates three back-end service orders (D, N, and C). If these become disassociated, and 1 of the orders falls out, SWBT still will receive credit for the 2 that "flow through", although the transaction has been a flow-through failure from the CLEC perspective.	Unresolved.
	In providing raw data for August 1999 to AT&T for PM 13, SWBT noted that its "raw data" may not completely match the reported data, due to possible changes in the database between the time the data was reported and the time the raw data was produced. This exemplifies a broader concern about the security and auditability of SWBT performance data, concerns echoed in Telcordia's supplemental report on data integrity.	SWBT implementation of increased security measures not effective until after generation of the data presented in SBC's application. Whether these

		measures have been implemented, and how effectively, since that time has not been verified.
Gaps in SWBT measures in this category	Posting delay (SWBT does not measure the interval between service order completion and the completion of all back-end database updating and posting to billing systems); percentage CLEC due dates requested versus due dates granted (not measured); jeopardy notification (no measures).	
Provisioning and Maintenance – Resale and UNE Combinations (POTS)		
PM 27 Average installation interval – residential resale- no field work	*Retroactive restatement of data, purporting to eliminate previously, reported parity violations, was shown to be in error.* After reporting failures on this measure across the region throughout 1998, SWBT in March 1999 retroactively restated data beginning July 1998, claiming that it had failed to apply an exclusion for CLEC-requested due dates later than next available and that it actually had been meeting the parity criterion. However, SWBT was forced to admit that there was an error in the data, because the restated data (supposedly applying the exclusion) showed higher total order volumes than the original data.	Unresolved. SWBT never has explained the source or nature of the errors it acknowledged during Missouri 271 hearings in March 1999.
PM 27 Average installation interval – business resale	SWBT attributes recent parity violation at least in part to its own failure to exclude orders with later CLEC-requested due dates (the same exclusion that was the subject of the mistaken retroactive restatement of residential data described above).	Unresolved; first raised in Dysart Aff. ¶180.
PM 29 Missed due date — UNE loop/port	SWBT attributes recent parity violation to its own failure to exclude subscriber-caused missed due dates.	Unresolved; first raised in Dysart Aff. ¶202.
PMs 27-34 Provisioning measures generally	Provisioning delays associated with SWBT's improper rejection of error-free LSRs are not captured. Business rules provide for SWBT to exclude rejected orders from provisioning timeliness measures. However, this exclusion presumes SWBT is properly rejecting LSRs for CLEC error. When SWBT errs and rejects a valid LSR, provisioning delay results, but that delay falls outside SWBT measures. This same problem impacts SWBT's provisioning measures for special services (resale and UNE combinations) and for unbundled network elements.	Unresolved. Raised by CLECs in comments on business rules, deferred by Texas Commission to six-month review. Raised in Docket 21000 by AT&T.
PM 35 Trouble reports within 10 days of installation; PMs 37-42 Maintenance	*Trouble that occurs during the provisioning process, prior to issuance of a service order completion, is not captured by SWBT's measures.* Customer service outages, and other problems, that may occur during conversion of a SWBT retail customer to CLEC service (via resale or UNE combination), is not captured by any SWBT measure, if the trouble occurs prior to issuance of a service order completion. SWBT's I-report measures and other trouble report maintenance measures apply only to troubles reported after the SOC is issued; until that time, SWBT treats the account as a SWBT retail account. This problem applies equally to the corresponding measures in the special services and UNE categories.	Unresolved. Texas Commission refused CLECs' request to require SWBT to report the same provisioning trouble report rate that Pacific Bell has agreed to report in California, deferring any consideration of that issue to six-month review.

PM 35 Trouble reports within 10 days of installation	The set of orders on which SWBT is basing this measure (the denominator of the calculation) is unknown, limiting the meaning of the results and precluding reconciliation with CLEC data. *See* PM 59 below.	Unresolved.
PM 38 Percent Missed Repair Commitments and PM 39 Receipt to Clear Duration	Retroactive restatement of early 1999 performance data in residential resale – no dispatch category converted a substantial liquidated damages liability to AT&T into a credit in SWBT's favor. SWBT unilaterally reclassified trouble tickets that required central office work from the "no dispatch" category to the "dispatch required" category.	Appropriateness of reclassification unresolved.
Provisioning and Maintenance – Resale and UNE Combinations (Specials)		
ISDN-BRI installation	SWBT attributes reported parity violations to its own improper inclusion of internal "record orders"	Unresolved. First raised in Dysart Aff. ¶¶ 269, 285, 315, 325.
PM 43 – 51 Resale specials provisioning	SWBT reported its performance for CLECs on these parity measures for several months without reporting any performance for its support of analogous SWBT retail operations.	Corrected.
PM 43 – Average installation interval and PM 45 – Missed due dates	SWBT reported different "numbers of orders" for the same item, e.g., ISDN, and same geographic area from one measure to the other. SWBT explained that it reported average installation interval based on numbers of orders, and missed due dates on number of circuits, that both measures ultimately would be based on circuits, and that "these things are new measurements, and it takes time to get those processes in place to be able to record."	Reportedly corrected.
PMs 43-51 – Provisioning measures generally	Provisioning delays associated with SWBT's improper rejection of error-free LSRs are not captured. *See* PMs 27-34 above.	Unresolved.
PM 45 Percent trouble reports within 30 days of installation	The set of orders on which SWBT is basing this measure (the denominator of the calculation) is unknown, limiting the meaning of the results and precluding reconciliation with CLEC data. *See* PM 59 below.	Unresolved.
PM 45, PMs 52-54 (trouble report and maintenance measures generally)	*Trouble that occurs during the provisioning process, prior to issuance of a service order completion, is not captured by SWBT's measures.* *See* PMs 35 and 37-42 above.	Unresolved.
Provisioning and Maintenance – UNE		
PM 55 – Average installation interval and PM 58 – Missed due dates	Inappropriate inconsistency between order totals reported for corresponding UNE items under PM 55 and 58. SWBT attributes the inconsistency to reporting PM 55 based on orders, and PM 58 on circuits, although the business rule at the time defined the missed due date measure in terms of orders, rather than circuits.	Business rules subsequently revised as to which measures are reported on per order and which on per circuit basis. Continues to be some confusion and error in application.
PM 56 – percent installed within x days	SWBT attributed repeated failure to achieve the 3-day interval for provisioning basic 8 dB loop orders to its own failure to apply the exclusion for CLEC orders that request later due dates, although this exclusion was in the business rules and had been drafted by SWBT.	Reportedly corrected.

PM 58 through 69 – UNE provisioning and maintenance generally	SWBT uses a parity analog that is based on a blend of its wholesale support of residential and business retail services. The result is a parity comparison of unknown value and may hold SWBT to a lower standard when provisioning and maintaining UNEs, which are used by CLECs predominantly for business retail services, than the standard that SWBT holds itself to when serving business retail customers.	Unresolved. SWBT has resisted repeated requests to report separate business and residential analogs for UNE provisioning and maintenance, even though the T2A differentiate between UNEs used for residential service and those used for business.
PM 58 and related measures 55, 56, 60-63	AT&T/SWBT joint reconciliation project determined that , throughout period from August through at least November, 1999, SWBT's LOC personnel were not properly trained in the definition, significance and application of SWBT defined function codes used to determine whether a missed due date on a hot cut installation should be counted against SWBT. Errors in data collection and reporting required restatement of August and September results for AT&T under measure 58 and 62 (the only 2 months directly examined by the reconciliation project). No data reconciliation performed for any other CLEC to determine accuracy of their reported data. Systemic errors affecting data collection process likely affect results of other measures which employ the same manual collection process, including measures 55, 56, 60, 61 and 63, and raise even broader questions. PM 58 is one of at least 50 measures require SWBT to determine who is responsible for a performance failure on individual transactions – SWBT, CLEC, or CLEC customer.	SWBT scheduled to implement new function codes and conduct training of its LOC personnel by January 2000. Status of SWBT's activities not verified and results of process improvements not tested.
PM 55 through 64 – Loop provisioning data generally	SWBT 1998 loop volumes reported for Track A purposes (Missouri) were much higher than total 1998 loop provisioning volumes reported in SWBT performance data.	Unexplained.
PM 55 through 64 – UNE provisioning measures generally	Provisioning delays associated with SWBT's improper rejection of error-free LSRs and delays associated with inaccurate FOCs are not captured. *See* PMs 27-34 above.	Unresolved.
PM 59 trouble reports within 30 days of installation	PM 59 only captures trouble reports within 30 days of installation rather than also within 10 days of installation. Compare PM 35. Furthermore, PM 59 fails to disaggregate among processes for UNE loops (e.g., FDT vs. CHC).	
PMs 59 and 65-69 (trouble report and maintenance measures generally)	*Trouble that occurs during the provisioning process, prior to issuance of a service order completion, is not captured by SWBT's measures.* *See* PMs 35 and 37-42 above.	Unresolved.
DSL		
PM 57 – response time for loop make-up information	Contrary to business rules, SWBT has excluded time between receipt of the CLEC request and the time SWBT's representative begins working on it, as well as time after SWBT's representative completes working on the request but before the response is returned. DOJ Evaluation at 13.	Unresolved at least through December data.
PM 5 – 6 FOC return timeliness (also noted above)	SWBT reportedly (Covad) fails to capture a large percentage of DSL orders in FOC return measure, despite absence of an exclusion. *See* DOJ Evaluation 13-14.	Unresolved.

PM 62 – average delay days for SWBT caused missed due dates	SWBT misreported performance for DSL loops to FCC and PUCT as averaging 0.00 delay days September – December 1999. Corrected data showed significant disparity between delay days for CLECs and delay days for SWBT retail in November-December. DOJ Evaluation 15.	Misreport corrected. Accuracy of revised data and ongoing reporting unverified.
PM 55.1 – average installation interval for DSL-capable loops	SWBT misreported substantial number of unbundled DSL loops under resale measure. DOJ Evaluation 16.	Corrected aggregate reports submitted by SWBT, but individual CLEC data not corrected so as to permit reconciliation.
	SWBT's application of the exclusion for CLEC-requested due dates beyond the standard interval is contested. DOJ Evaluation 16.	Unresolved.
	SWBT is reporting installation as complete without regard to whether the loop is actually working. Acceptance testing results should be considered before the installation is considered complete. DOJ Evaluation at 16. (This issue applies broadly to all SWBT installation interval measures, not only for DSL loops; SWBT's timeliness measures generally do not account for the quality of the service performed or product provided).	Unresolved.
Interconnection		
PM 72 – missed due dates for interconnection trunks	Restatement of Missouri data changed order totals and added missed due dates for months where none previously had been reported. SWBT could not explain discrepancies.	Unresolved.
PM 70 – interconnection trunk blockage and 78 – average installation interval	In mid-December 1999, on the eve of the Texas Commission closing SWBT's 271 proceedings, SWBT restated its historical performance data under this measure, eliminating what had been reported as repeated benchmark violations under both measures – excessive blockage and excessively lengthy trunk installation intervals. SWBT's assertion that these prior apparent violations had been due to CLEC fault and to SWBT's failure to apply exclusions have not been validated. DOJ Evaluation 47, n. 133.	Unresolved.

LNP		
PM 93 – % customer account restructured prior to LNP due date PM 96 – % premature disconnects for LNP orders PM 97 -- % of time SWBT applies the 10-digit trigger prior to the LNP order due date PM 98 -- % LNP I-reports in 10 days PM 99 Average delay days for SWBT missed due dates	None of these measures has been implemented as of SWBT's late January 2000 report of December 1999 data. SWBT has produced no data reflecting actual LNP performance on such basic measures as premature disconnects and % trouble reports within 10 days after installation.	Unresolved.
PM 94 FOC Return Time for LNP orders	SWBT attributes benchmark violation for residential and simple business orders (LNP only, 1-19 lines) over LEX to SWBT's own (assertedly) improper exclusion of a large number of orders for which it says timely FOCs were returned.	Unresolved. First raised in Dysart Aff. ¶594.
911		
PM 102 Average time to clear errors	Through its January 2000 report of December 1999 data, SWBT had not implemented this parity measure of the amount of time it takes for SWBT to clear an error after it is detected during the processing of the 911 database file, for resale and UNE loop and port combination orders.	Unresolved.
Coordinated conversions		
114 and 115 (coordinated hot cuts)	AT&T/SWBT joint reconciliation project determined that , throughout period August through at least November, 1999, SWBT's LOC personnel failed to systematically record the authorized start times on hot cut, thereby precluding any determination of whether the start of the hot cut began prematurely (for measure 114) or was delayed (for measure 115). In addition, reconciliation project found that start times, to the extent recorded, were often overlooked by SWBT personnel in identifying early or delayed hot cuts to be reported under these measures. Errors in data collection and reporting required restatement of August and September results for AT&T under measures 114 and 115 (the only 2 months directly examined by the reconciliation project). No data reconciliation performed for any other CLEC to determine accuracy of their reported data.	SWBT to implement mechanized data collection and reporting system by January 2000 and to conduct interim training of LOC personnel in December. Status of SWBT's efforts not verified and results of process improvements not tested.
114 and 115 (uncoordinated frame due time)	SWBT promised in ex parte filing with FCC to implement measure in February with data being first reported in March 2000.	Not yet implemented.

114 and 115	Fails to capture loops cutover without number portability although customer is exposed to many of the same service outage problems as plague SWBT's hot cut processes.	Unresolved
114.1 (coordinated hot cuts)	SWBT promised to implement cutover measure beginning in January 2000 with data first being reported in February. Measure fails to account for period of time required for LOC to notify CLEC that cutover is completed and thus ignores final step in the cutover process, and 2 hour interval fails to meet CLECs' competitive requirements. 2-hour interval is not supported by Justice Department. DOJ Evaluation at 32, n. 84.	Unverified.
114.1 (uncoordinated frame due time)	SWBT promised in ex parte filing with FCC to implement measure in February with data being first reported in March 2000.	Not yet implemented.
114.1	Fails to capture loops cutover without number portability although customer is exposed to many of the same service outage problems as plague SWBT's hot cut processes.	Unresolved
114.1	While SWBT has not implemented 114.1 in its web site reports, its ex parte submittals of initial data for this measure show that it is improperly applying an exclusion for CLEC-caused misses. The business rules SWBT drafted (and the Texas Commission accepted) for this measure do not recognize an exclusion for CLEC-caused misses, and such an exclusion is inconsistent with the definition of the measure. Conduct by a CLEC, such as a later authorization call or cancellation of a cutover, could not cause an extended outage that would count against SWBT under 114.1, because the cutover interval does not start until the CLEC authorizes the cut. Similarly, there is no basis for excluding "misses" due to a wiring/equipment problem, because those problems should be identified if SWBT properly performs the agreed-upon pre-installation test procedures.	Unresolved.
Gaps in SWBT measures in this category	No coordinated hot cut measure captures service outages caused by defective hot cuts.	Unresolved
Problems not related to specific measures		
Raw data instability	SWBT provided raw data for August PM 13 results (flow-through rate) to AT&T with the caveat that the raw data may not exactly match the reported data, due to the possibility of changes to the database, e.g., cancelled orders, between the time the August data was reported and the time that the raw data was pulled for AT&T. SWBT's statement implied that it was not maintaining raw data underlying its performance reports in a static file that was secure against change.	Unresolved. Status and success of SWBT actions to address data integrity issues are unknown. Those actions, whatever their status, would have had no impact on the security or integrity of data prior to December 1999 data.

Reporting z-scores on measures with fewer than 30 data points	SWBT still intermittently fails to calculate a z-score on measures where the reported transactions are between 10 and 30. For example, after the AT&T/SWBT data reconciliation, SWBT restated its September 1999 performance for TCG on PM 58, missed due dates for 5 dB loops in Dallas/Fort Worth. SWBT reported 13.6% missed due dates for TCG, compared with 0.8% for SWBT retail, but failed to calculate a z-score, citing < 30 data points. SWBT's "commitment" in the Texas 271 proceedings was to report z-scores on all measurements with more than 10 data points, but its compliance with that commitment is incomplete. Because SWBT takes the position that the volumes and variance in its retail data is proprietary, CLECs cannot calculate the z-score for themselves when SWBT fails to do so.	Unresolved.
Reporting z-scores on measures with fewer than 10 data points	SWBT never reports a z-score for measurements with fewer than 10 data points, despite the fact that the T2A explicitly requires it to do so. The T2A gives SWBT the option of calculating the z-score through the same modified z-test formulas that are used for more than 10 data points or of using permutation analysis. By one method or the other, SWBT is required to make a pass/fail determination for each measurement with reported CLEC data. SWBT's failure to do so is leaving much of its performance outside of the analysis, given the high degree of disaggregation in the Texas measures (with over half of the measurements at present reporting fewer than 10 data points for CLECs in the aggregate).	Unresolved.
Use of posting dates as basis for provisioning measures	SWBT is collecting the data for provisioning measures based on when an order posts to billing, rather than the date when service provisioning is completed. Because of SWBT posting delay (which itself falls within a gap in the performance measures, as noted above), the data reported under SWBT provisioning measures for a given month includes orders from prior months and cannot be readily reconciled with CLEC data. For example, when AT&T sought to reconcile PM 58 data (UNE loop missed due dates) with SWBT for August 1999, SWBT's data included AT&T orders that had been provisioned in July or even June. Until SWBT posting delay is remedied and/or a different basis is established for counting orders under the provisioning measures (a basis that can be tracked by both SWBT and CLECs), SWBT's performance data will be ambiguous and reconciliation with CLEC data will be difficult to impossible.	Unresolved.
Use of service order completion dates as basis for trouble reporting measures	Similar to SWBT's collection of data for provisioning measures, SWBT is using the date when an order is distributed by SORD (i.e., the service order completion date) to collect data for its initial trouble report measures (i.e., measures 35, 46 and 59) rather than the date when service provisioning is completed. Because of SWBT's delay in timely issuing SOCs, the data reported under SWBT's intitial trouble report measures for a given month includes orders from prior months and cannot be readily reconciled with CLEC data. Until SWBT's SOC delay is remedied and/or a different basis is established for counting orders under the initial trouble report measures (a basis that can be tracked by both SWBT and CLECs), SWBT's performance data will be ambiguous and reconciliation with CLEC data will be difficult to impossible.	Unresolved.